

9/4/08

Ms Dean;

Subject: Carnotite LLC response to UDOGM letter of 8-27-2008 "response to submittal of revised Notice of Intent.

"The Division asks that you re-submit the revised NOI and include the updated and revised information that was contained in your most recent submittal". Obviously all of the information that was included in my most recent submittal is currently in the possession of the UDOGM staff and in the proper "single, consolidated document". Asking me to resubmit data that has already been submitted by Carnotite LLC three times already goes far beyond mere redundancy. This revised NOI was submitted in April of this year, your staff immediately misplaced/lost/threw away every bit of the data submitted. This was followed by a letter from you requesting that I resubmit the official UDOGM NOI forms and requesting clarification of certain questions. I responded by resubmitting the forms as requested and addressed each question completely. Then came a letter from UDOGM dated 7-27-2008 Subject: Deficient NOI. At which time I resubmitted the revised NOI in its entirety including a USGS map, updated Site diagram, a complete mining plan, photographs of the site and again addressed every deficiency listed in the letter in line order. All of this constitutes the single, complete document that you now request that I resubmit again to your office. I am not going to resubmit my revised NOI at this time because all of the information, maps and data have already been sent to your office in a single, complete document. There is nothing more to add.

1. The issue of the ownership of Carnotite LLC is well known to you and the by the staff of UDOGM, it shown prominently on the heading of every mining plan (three) that I have sent to UDOGM. The correct ownership of Carnotite LLC has repeatedly been referred to in correspondence from you and your staff. In addition it is listed on the UDOGM Notice of Intent to Commence Small Mining Operations form MR-SMO under the heading "**if Business is a Limited Liability Company**". To settle your anxiety over this issue, once again I will inform you that the owner of Carnotite LLC is Ted Thompson. My complete and only address is as follows;
Ted Thompson – 775 E Claybourne Ave., Salt Lake City, UT 84106 phone # 801-486-8345.
2. My response was complete and unambiguous, the shaft is not on my mining claims. The MSHA ventilation plans have not yet been approved.
3. Lets not dally, set the date for the on site meeting and lets see if we can resolve your questions about this mine site and my proposed mining plan.

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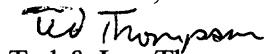
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DIV. OF OIL, GAS & MINING

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4. Carnotite LLC will not be held accountable for past mining activities, the diagram of the mine site shows where we will store mining waste from our mining activities. Other than that the entire area has scattered waste rock piles, some of which may have low radiation counts. There are also exposed natural Uranium deposits in the area. The background radiation is high, it is after all the Uranium deposits that make Uranium mining feasible. The waste dumps have no higher background than the increased radiation background of the Colorado Plateau in general. The dumps I have tested show a radiation survey meter reading of less than 0.06%, which will be approximately the same for our waste rock. The reclamation plan states that the waste rock will be isolated in two permanent areas that are also existing waste dumps from past mining. The only thing that will neutralize radiation is time. The existing waste rock dumps in the area have been in place for over sixty years with no significant erosion. As stated in the Reclamation Plan properly sloped and seeded waste rock dumps can be reasonably expected to remain intact for hundreds of years. The very dry desert environment with little rainfall contributes to the stability of such waste dumps. The reclamation that we propose is the standard of the Uranium mining industry.
5. I don't see how the BLM can be writing an environmental assessment when they do not have a current mining plan from Carnotite LLC. I cannot file my new mining plan with them until UDOGM approves of this revised plan. That is the protocol, UDOGM then the BLM. What is the intention of UDOGM here? Is it your position that no Uranium mining will be allowed in the State of Utah? There are Uranium mines already in operation in Utah have not they been permitted by UDOGM? My mining plan and reclamation plan should be approved without further delay by your office.

Thank You,


Ted & Lee Thompson
Carnotite LLC
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Salt Lake City, Utah 84106
801-486-8345